



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmember Ash Kalra
Councilmember Xavier Campos

SUBJECT: POLICE STAFFING
RESTORATION STRATEGY

DATE: August 30, 2013

Approved

Date

8-30-13

RECOMMENDATION

Amend the recommendations and directions to the City Manager contained in the August 28, 2013 memorandum by Mayor Reed and Councilmember Liccardo as follows:

1. Eliminate the "four-year" constraint of the recommended Police Staffing Restoration Strategy, and examine strategies to accomplish the same goals within a shorter time frame.
2. In addition to the funding sources outlined in the August 28th memorandum, include the following as potential funding sources for a signing and/or retention bonus fund for police officers:
 - a. Any and all funds where police serve a function relating to the fund's purpose, or that can be transferred to the General Fund.
 - b. Any excess fund balance higher than previously projected and budgeted.
 - c. Any excess property and/or sales tax revenues higher than previously projected and budgeted.
3. Develop a detailed, structured plan for restoring the 10% pay cuts to all city employees.

BACKGROUND

We wish to thank Mayor Reed and Councilmember Liccardo for their memorandum dated August 28, 2013. We are pleased to see the significant change of heart regarding officially stating that our goal is to restore the 10% pay cuts to all our employees, particularly since this exact suggestion was rejected just a couple of months ago.¹ We are also heartened to see what appears to be some openness to considering a sales tax increase for the purpose of restoring services and stabilizing our police force, since this suggestion, which was recommended by our City Manager, was opposed by both authors of the August 28th memorandum and was rejected by a 5-5 vote a little over a year ago. We are glad to infer from this memorandum that suggestions to stem the continuing tide of departures and retirements will no longer be dismissed as an "end-around" the negotiating process, as they have in the recent past. Most significantly, we are glad that the authors of the August 28th memorandum are

¹ Memorandum by A. Kalra dated June 7, 2013 regarding the Mayor's 2013 June Budget Message (recommendation #3). (<http://sanjoseca.gov/DocumentCenter/View/18211>)

“look[ing] forward to the ideas of [their] colleagues,” given the recent history of summarily dismissing any suggestions that haven’t been made by a few, select members of the Council. In the spirit of trying to reverse the significant damage done to the city as a whole and the police department in particular, we submit these recommendations to ensure that this newly-found dedication to restoring our police force and our employee base proceeds in a meaningful fashion.

One purpose of this memorandum is to seek additional clarity regarding some of the measures suggested in the August 28th memorandum. For example, while the memorandum notes the 4% retention incentive previously offered to the police union, and also lists the 4% retirement contribution mandated by Measure B as a potential revenue source, it is not clear whether the end goal is to have a net 10% restoration of income for the police, or whether the end goal is essentially just a 6% restoration. Adding to this lack of clarity is the fact that in June, the Council rejected a proposal to temporarily suspend the 4% retirement contribution.² As a result, the intention of the authors of the August 28th memorandum is somewhat unclear. However, since it would be rather disingenuous to take money with one hand and give it back with the other, we assume that the goal is to achieve a net 10% restoration of income. If so, we believe that this should be stated more definitively.

As for other aspects of the suggested plan, including the recommended four-year time frame, we question whether this will be enough to recruit new, talented officers or retain the ones we currently have. Currently, as we are all aware, what we pay our officers pales in comparison to nearly all nearby cities and counties. To the best of our knowledge, no study has been done to determine what salaries we need to offer in order to stem the tide of police department resignations and retirements, or how soon we would need to reach the target salary levels. By setting a goal of 10% in four years, as stated in the August 28th memorandum, while clarifying that it is not intended to be a floor for negotiations or an end-around the negotiation process, makes the recommendation somewhat impotent. Furthermore, it goes without saying that if there is another fiscal crisis, we will have to re-evaluate our options. However, placing a four-year time frame on this urgent process seems unnecessarily restrictive. During the recent budget process, there was a recommendation to restore the 10% pay cut in two years. We recognize that we may not be able to restore pay as quickly as we would like; however, we see no reason not to examine the possibility of restoring pay more quickly if possible.

Even though the reference to “voter-approved revenue increases” in the August 28th memorandum is both brief and vague, we are happily surprised to see that there is now openness to the idea of a sales tax increase, when this idea was rejected by this Council a year ago. However, the perfunctory mention of this potential funding source, without any further recommendation to consider polling or any other study to determine the feasibility of this option, is not sufficient direction. It seems clear that we would not be able to proceed with a ballot measure until November 2014 at the earliest. Given this short time frame, it would be prudent to provide concrete direction to fully examine this option. Additionally, we should consider the ballot measure in the context of other potential measures that the council will be considering, such as the library parcel tax.

Lastly, even though back in June the Council passed up an opportunity to set as a goal the restoration of the 10% pay cuts to all of our employees, we agree with the direction to do so now. Although we agree that there is a greater urgency to put in place a plan to address the departures of police officers, it does not mean that we should not have some plan in place for the remainder of the workforce. We

² Memorandum by A. Kalra dated June 7, 2013 regarding the Mayor’s 2013 June Budget Message (recommendation #2). (<http://sanjoseca.gov/DocumentCenter/View/18211>)

believe that such a goal must be buttressed by an actual plan of action. Therefore, we would direct the City Manager to present to the Council a detailed plan to accomplish this goal.